

SENATE BILL No. 376

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-4-13; IC 6-1.1-20.6-0.5.

Synopsis: Land reclassification. Provides that if a taxpayer's land is classified as agricultural land at the time of the taxpayer's acquisition of the land, the land is presumed to be agricultural land as long as the taxpayer uses the land in the same manner as the person from whom the taxpayer acquired the land. Provides that agricultural land may not be reclassified as excess residential land without notice and, upon the request of a taxpayer, provides a hearing before the county property tax assessment board of appeals.

Effective: Upon passage.

Delph

January 12, 2015, read first time and referred to Committee on Appropriations.



First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 376

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-4-13, AS AMENDED BY P.L.85-2014,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 13. (a) In assessing or reassessing land, the
4 land shall be assessed as agricultural land only when it is devoted to
5 agricultural use.
6 (b) The department of local government finance shall give written
7 notice to each county assessor of:
8 (1) the availability of the United States Department of
9 Agriculture's soil survey data; and
10 (2) the appropriate soil productivity factor for each type or
11 classification of soil shown on the United States Department of
12 Agriculture's soil survey map.
13 All assessing officials and the property tax assessment board of appeals
14 shall use the data in determining the true tax value of agricultural land.
15 However, notwithstanding the availability of new soil productivity
16 factors and the department of local government finance's notice of the



appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map for the March 1, 2012, assessment date, the soil productivity factors used for the March 1, 2011, assessment date shall be used for the March 1, 2012, assessment date, the March 1, 2013, assessment date, and the March 1, 2014, assessment date. New soil productivity factors shall be used for assessment dates occurring after March 1, 2014.

(c) The department of local government finance shall by rule provide for the method for determining the true tax value of each parcel of agricultural land.

(d) This section does not apply to land purchased for industrial, commercial, or residential uses.

(e) If a taxpayer's land is classified as agricultural land at the time of the taxpayer's acquisition of the land, the land is presumed to be agricultural land as long as the taxpayer uses the land in the same manner as the person from whom the taxpayer acquired the land. An assessing official may not reclassify a taxpayer's agricultural land as excess residential land unless the assessing official provides the taxpayer with written notice of the change in classification at least one hundred eighty (180) days before the assessment date. Upon the request of the taxpayer, the property tax assessment board of appeals for the county in which the land is located shall conduct a hearing on the proposed change in classification.

(f) If the assessing official rebuts the presumption provided by subsection (e) and proves by a preponderance of the evidence that:

(1) the taxpayer's land has been subdivided into lots; or

(2) the taxpayer's use of the land has changed;

so that the land is not eligible for assessment as agricultural land, the property tax assessment board of appeals shall approve the reclassification of the taxpayer's land.

SECTION 2. IC 6-1.1-20.6-0.5, AS ADDED BY P.L.146-2008, SECTION 213, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. As used in this chapter, "agricultural land" refers to land assessed as agricultural land under:

(1) IC 6-1.1-4-13; and

(2) the real property assessment rules and guidelines of the department of local government finance.

SECTION 3. [EFFECTIVE UPON PASSAGE] **(a) IC 6-1.1-4-13, as amended by this act, applies to an assessment date occurring after December 31, 2015.**



1 **(b) This SECTION expires January 1, 2018.**
 2 **SECTION 4. An emergency is declared for this act.**

